

LABOR SERVICES DIVISION[875]

Adopted and Filed Emergency

Pursuant to the authority of Iowa Code section 91C.6, the Labor Commissioner hereby amends Chapter 150, “Construction Contractor Registration,” Iowa Administrative Code.

These amendments update rules to reflect legislation in 2010 Iowa Acts, House File 2522, sections 26 to 28, that will change the bonding requirements for out-of-state construction contractors on July 1, 2010. These amendments rescind provisions that contradict House File 2522 and adopt new provisions that are consistent with House File 2522.

Pursuant to Iowa Code section 17A.4(3), the Labor Commissioner finds that notice and public participation would be impracticable because 2010 Iowa Acts, House File 2522, is effective July 1, 2010, and these amendments are necessary to make the administrative rules coincide with and become effective on the same date as the statutory provisions.

Pursuant to Iowa Code section 17A.5(2)“b”(2), the Labor Commissioner finds that the normal effective date of the amendments should be waived and the amendments should be made effective on July 1, 2010. These amendments confer a benefit on the public by ensuring the rules coincide with the statutory requirements. The amendments also confer a benefit by allowing certain out-of-state contractors to substitute a \$25,000 bond for a \$50,000 bond.

These amendments are also published herein under Notice of Intended Action as **ARC 8818B** to allow for public comment.

The principal reasons for adoption of these amendments are to implement legislative intent and to enhance the collection of debts owed to the state of Iowa. No variance procedures are included in these rules because variance provisions are set forth in 875—Chapter 1.

These amendments are intended to implement Iowa Code chapter 91C as amended by 2010 Iowa Acts, House File 2522, sections 26 to 28.

These amendments will become effective July 1, 2010.

The following amendments are adopted.

ITEM 1. Rescind the definition of “Contract price” in rule **875—150.2(91C)**.

ITEM 2. Amend rule 875—150.4(91C), introductory paragraph, as follows:

875—150.4(91C) Application. Each contractor shall file an application with the division for a registration number on forms provided by the division. The application shall contain the applicable information and documents specified in this rule.

ITEM 3. Adopt the following **new** subrule 150.4(11):

150.4(11) Out-of-state contractor bond. An out-of-state contractor shall:

- a. File a surety bond in the amount of \$25,000 for a one-year period that is prepared using the bond form provided by the division, or
- b. Provide a statement that the contractor is prequalified to bid on projects for the department of transportation pursuant to Iowa Code section 314.1.

ITEM 4. Rescind and reserve rules **875—150.13(91C)** to **875—150.15(91C)**.

ITEM 5. Amend **875—Chapter 150**, implementation sentence, as follows:

These rules are intended to implement Iowa Code chapter 91C as amended by ~~2006 Iowa Acts, chapter 1176~~ 2010 Iowa Acts, House File 2522.

[Filed Emergency 5/13/10, effective 7/1/10]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 6/2/10.